(b) and (c) Do not arise.

(d) Amongst the Airlines operating passenger services to/from India, apart from Aeroflot, Uzbekistan Airways has deployed IL 62 Aircraft on the sector Tashkent/Delhi.

Losses in Regional Rural Banks

4658. SHRI SURENDRA LATH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that most of the Regional Rural Banks (RRBs) in the country are running at loss;

(b) if so, the reasons therefor;

(c) whether any steps are being taken to revamp the working of the RRBs; and

(d) if so, the details of the measures initiated therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANAND RAO VITHOBA ADSUL) : (a) to (d) During the financial year 2001-02, out of 196 Regional Rural Banks (RRBs), only 29 RRBs incurred losses. Low profitability in RRBs is due to increasing cost and decreasing spread, high non performing assets, erosion in the capital base etc Several steps have been initiated/taken to strengthen and revitalize the RRBs which include —

(i) Enhancement in share capital;

(ii) recapitalisation support of Rs.1094.21 crore to 187 RRBs;

(iii) diversification of business portfolio and activities;

(iv) deregulation of interest rate structure.

(v) introduction of prudential norms covering asset classification and provision norms;

(vi) measures to reduce NPAs;

(vii) one time settlement scheme to improve recoveries;

(viii) rationalisation of branch net-work etc.